

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email Address]

[Date]

[Lender Name]
[Lender Address]
[City, State, Zip Code]

RE: Request for Loan Settlement and Waiver of Deficiency Judgment
Account Number: [Your Account Number]
Property/Collateral Address: [Address, if applicable]

Dear [Contact Person or Department Name],

I am writing to formally propose a settlement regarding the outstanding balance on the above-referenced account. Due to unexpected financial hardship caused by [briefly mention reason, e.g., job loss, medical emergency], I am unable to maintain the original payment terms of this loan.

I am offering a one-time, lump-sum payment of \$[Amount] as full and final settlement of the debt. This offer is contingent upon the following conditions:

- The payment shall be accepted as "Full Satisfaction" of the debt.
- [Lender Name] agrees to a total waiver of any deficiency judgment or future claims for the remaining balance.
- The account will be reported to the credit bureaus as "Settled in Full" or "Paid as Agreed" with a zero balance.
- [Lender Name] will release any liens held against the collateral upon receipt of the settlement funds.

Please provide a written agreement confirming these terms if they are acceptable. Once I receive the signed agreement, I will forward the funds via [certified check/wire transfer] within [Number] business days.

Thank you for your time and for considering this proposal to resolve this matter amicably.

Sincerely,

[Your Signature]

[Your Printed Name]